

ATTACHMENT I

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83 Ill. Adm. Code 451.510 states that "[a]n applicant that seeks to provide single billing services shall demonstrate an ability to establish and maintain sufficient financial resources to satisfy the obligation to remit to utilities monies that the ARES collects under single billing tariffs." The Applicant has elected to fulfill this requirement via option (a).

Option (a) states that:

"The applicant may undertake to post and maintain a bond or bonds issued by a qualifying surety or financial institution chartered by the United States or the State of Illinois in favor of any Illinois utility in whose service territory the applicant will serve retail customers. The bond or bonds shall be in an amount equal to 15% of a good faith estimate of the total amount that the applicant expects to be obliged to pay to the utility under single billing tariffs adopted pursuant to Section 16-118(b) of the Act during the next twelve months."

The Applicant currently serves Illinois customers only within the distribution service area of the Commonwealth Edison Company ("ComEd"). The Applicant anticipates serving no more than 100 Mega-watts ("MW") of ComEd installed capacity on single billing service during the next twelve months. The Applicant continues to anticipate that the majority of its Illinois customers will be served via dual billing, under which each customer account will receive two invoices, one from ComEd for distribution services and a second from the Applicant for generation supply services.

If the Applicant were serving 100 MWs of load for the entire 12 month period, the Applicant's obligation for payments to the utility could be reasonably calculated as follows:

Load (in MWs)	*	Hours in a Day	*	Days in a Year	*	Estimated Load Factor	*	Estimated payment obligation to utility (per MWH)
100 MW	*	24 Hours	*	365 Days	*	0.55 Load Factor	*	\$20 per MWH

The Applicant certifies that the average load factor for its entire non-residential customer base in the prior year was approximately 0.55. The Applicant anticipates that its non-residential load factor will remain consistent during the next 12-months.

By utilizing this formula, the Applicant calculates an expected obligation of \$9,636,000 to be paid to the utility under single billing tariffs during the next 12-months. As per the Section 451.510, the Applicant has provided a bond for the favor of the Commonwealth Edison Company in the amount of \$1,500,000 (see Attachment AF), which surpasses the requirement to post financial security in an amount equal to 15% of a good faith estimate of the total amount that the Applicant expects to be obliged to pay during the next 12 months.